conditions, can be judged only after the demonstration project come into operation and sufficient data has been generated.

Increase in prices or crude oil

†3495.SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that due to increase in price of crude oil in the international market on April 4,2005 and also due to Governments' tax, the prices of diesel and petrol are likely to increase in the country; and

(b) if so, the amount of extra money to be collected per litre in the form of tax on petrol and diesel in the country as a result of price rise in international market?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRIMANI SHANKAR AIYAR): (a) and (b) Since the end of 2003, there has been an unprecedented, sharp and spiraling increase in international oil prices combined with considered week-to-week and even day-to- day volatility. The Indian basket of crude oil touched an all-time high of US $ 52.83 per bbl on 04.04.2005 compared to an average price of US$ 27.96 per bbl in 2003-04 and US $ 39.21 per bbl in 2004-05. There has since been some softening, the Indian basket having declined to around US $ 47/bbl in the week ending 16.4.2005. The international price of crude oil and petroleum products decidively impacts the domestic prices. The Government is continuoulsy monitoring the price situation. A decision on prices has not yet been taken.

An increase of Re. 1 per litre in the international market, translates to an increase of Rs. 1.43 per litre in the retail price of petrol and diesel at Delhi, on account of increase and *ad valorem* duties/ taxes like customs duty at a rate of 10%, excise duty at a rate of 8% and sales tax at a rate of 20%.

Smuggling of High Speed Diesel

3496. SHRI SANTOSH BAGRODIA
SHRI HARISH RAWAT:
SHRI K.B. KRISHNAMURTHY:
SHRIMATI AMBIKA SONI:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

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†Ortginal notice of the question was received in Hindi.

(a) whether it is a fact that huge quantity of High Speed Diesel (HSD) is being smuggled into the country from Gulf and is being sold of petrol pumps after adulterating it with kerosene oil:

(b) if so, the details thereof and Government's reaction thereto; and

(c) the quantum of HSD that has been smuggled into the country during the last two years?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI**MANI** SHANKAR AIYAR): (a) and (b) The Directorate of Revenue Intelligence generates general intellignece regarding the smuggling of HSD into the country. Based on specific information received, the Directorate of Revenue Intelligence seized 770 kiloliters of HSD valued at Rs. 2.42 crores which was loaded on vessel "Al Shahaba" at Muscat and was declared to discharge the same at Port Masirah. The vassel entered Indian Customs waters illegally and was intercepted by officials of the Directorate of Revenue Intelligence on 21.12.2004. when the HSD was being illegally discharged into barges. Six persons were arrested in this case.

(c) The quantum of smuggled HSD seized during the last two years is as under:—

Year	Quantum (in kilolitres)
2003-2004	35.2
2004-2005	1718.5

Asian Gas Grid

3497. SHRI R.P. GOENKA:
SHRI ANAND SHARMA:
SHRI K. RAMA MOHANA RAO:
SHRI RAMA **MUNI** REDDY SIRIGIREDDY:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government are considering a proposal to set up an Asian Gas Grid;

(b) if so, the details of the proposal and the names of countries that will constitute the proposed grid; and